

## TERMS OF BUSINESS

### INTRODUCTION

**Propel provides asset finance to business customers. We want to help you find a suitable asset finance product that meets your needs. Our Terms of Business explain factors that you should consider.**

The Propel Group is made up of different legal entities, including: Propel Finance No 1 Limited (a company incorporated and registered in Wales with company number 10003271) and Propel Finance Plc (a company incorporated and registered in Wales with company number 04015132) both with their registered offices at Unit 5 Langstone Business Village, Langstone Park, Newport NP18 2LH.

Propel Finance No 1 Limited and Propel Finance Plc are authorised and regulated by the Financial Conduct Authority.

We are one of the UK's largest independent finance companies with over 20 years' experience. For more information about us, please go to [www.propelfinance.co.uk](http://www.propelfinance.co.uk)

### OUR ROLE

Propel acts either as a lender (where we fund the asset purchase or loan ourselves) or as a credit broker (where we work with a panel of asset finance lenders to find a suitable finance arrangement for you). We have a dedicated support team whose role it is to undertake an assessment of your circumstances and offer you the most appropriate finance arrangement with the most appropriate funder. Once we have found a suitable arrangement, we will present the agreement to you to sign. We will discuss this with you and will be happy to explain any terms of the agreement to you.

### IS ASSET FINANCE SUITABLE FOR ME?

**The main options for financing the purchase of assets are:**

- Take out an asset finance agreement. A lender will purchase the goods from the supplier you have selected, at the price you have negotiated. You will then hire or lease the goods from the lender.
- Purchase outright
- Bank facility
- Raise new capital
- Rent for a short period (typically less than one year)

**In deciding which option to select, relevant factors may include:**

- Whether you have the money to buy outright
- How long you need the goods for
- Costs of the different options

Asset finance is unlikely to be suitable if you are not sure if you will need the asset(s) for the minimum contract period or if the asset is unlikely to be maintained and kept in a useable condition for the minimum contract period or if you want to change the asset(s) during the minimum term.

**You should be aware:**

- You will have to continue to pay for the goods for the agreed period or settle the outstanding balance early even if you no longer need the goods, or if the goods cannot be used (lenders usually offer a small rebate of interest charges in the event of an early settlement).
- If you change the goods during the agreed minimum rental period, this could lead to higher charges.

**For more help in deciding whether to select asset finance, see the Government's Business Finance advice (<https://www.gov.uk/business-finance-explained/overview>)**

### WHAT TYPES OF ASSET FINANCE DOES PROPEL OFFER?

Most asset finance arrangements involve paying a deposit and then monthly or quarterly payments, with interest payable. The key difference between products is what happens at the end of the agreement and who owns the goods.

**Lease also known as a "Hire Agreement":**

At the end of the agreement, you do not own the goods. The agreement can often be extended, you may be offered the option to sell the goods on behalf of the lender, or the goods can be returned to the lender. Any alternative arrangement that we can offer will be discussed with each customer individually.

**Hire Purchase:**

At the end of the agreement there is an option to purchase the goods (usually for a nominal amount).

**Loan:**

At the end of the agreement, you will own the goods.

In deciding which option to select, relevant factors may include:

- How long you expect to use the goods for
- The income or corporation tax, VAT and accounting treatment of the goods

For more details of these factors please consult with your accountant / finance director / financial adviser.

We do not promote any specific product over another. We do not predetermine what we will offer you. Any asset finance product will be based on your needs and information provided.

We have a dedicated support team whose role it is to undertake an assessment of your circumstances and offer you the most appropriate product with the most appropriate funder. Lease, Loan and Hire Purchase Agreements with sole traders, partnerships with only 2 or 3 partners and / or unincorporated associations are likely to be regulated by the Consumer Credit Act 1974 unless (i) the total credit or rentals (including VAT) payable over the minimum term is £25,000 or more; and (ii) the goods are wholly or predominantly for business purposes. If you are a "high net worth" individual, your finance agreement might not be regulated. Agreements with incorporated bodies (e.g. limited companies) will not be regulated.

### THE APPLICATION PROCESS

We will keep you updated with regards to the progress of your application for finance. Of course, you are entitled to request an update at any time during the process. Where we decline a proposal or receive notice of a decline from a funder, we shall contact you accordingly.

In the event that we receive a series of declines from funders for the same credit application, your Propel representative will be available to discuss your options (this may include whether you wish us to approach further funders and, as a result, complete further searches, which could impact your credit rating).

Declined applications based on an automated scoring system can be reviewed manually on request.

### FEES

We may act as a credit broker or a lender. Where we act as a credit broker and do not fund your agreement ourselves, we will introduce you to a limited number of lenders and their finance products which may have different interest rates and charges. We are not an independent financial advisor. We will provide details of products available from the lenders we work with, but no advice or recommendation will be made. You must decide whether the finance product is right for you. We do not charge you a fee for our services. Whichever lender we introduce you to, we will typically receive commission from them (either a fixed fee or a fixed percentage of the amount you borrow). The lenders we work with could pay us a commission at different rates for introducing you to them.

Where we act as the lender, your dealer or broker could receive a commission or other type of payment for introducing you to us. Please contact them for further details. In certain circumstances they are required to give you information about the nature of any such commission arrangements.

For details of fees that may apply during the term of your finance agreement, please refer to our Tariff of Charges as updated from time to time and which can be found overleaf.

### COMPLAINTS RESOLUTION PROCEDURES

Our complaints resolution procedures meet the industry standards required by the Financial Conduct Authority. A copy of these procedures is available on request. If you have a complaint about our service, please contact us:

**By post:**

Propel  
Complaints Resolution Team  
Unit 5, Langstone Business Village  
Langstone  
Newport  
NP18 2LH

**By Telephone:** 01633 415 222

**By email:** [complaints@propelfinance.co.uk](mailto:complaints@propelfinance.co.uk)

We will both acknowledge and aim to resolve your complaint within 5 working days. However, there will be instances in which this will not be possible. In that event, our aim will be to resolve your complaint within eight weeks as required by the Financial Conduct Authority.

If you are unhappy with the way we have resolved your complaint, you may have the right to refer your complaint to the Financial Ombudsman Service (FOS), free of charge. The FOS will be able to review your complaint subject to their eligibility criteria but you must refer your complaint to them within six months of the date of our Final Response Letter.

Further information is available from the FOS website (link shown below).

If your complaint is not referred to the Financial Ombudsman Service in time, they will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances.

The Financial Ombudsman Service can be contacted as shown below:

**Address:** The Financial Ombudsman Service Exchange Tower, London, E14 9SR

**Telephone :** 0800 023 4 567 **Email:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

**Website:** [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

### ASSET PROTECTION

A condition of taking out an asset finance agreement is that you insure the goods. We do not act as an insurance intermediary, but if you fail to provide evidence on request that you have adequately insured the goods yourself, we have the right (but not the obligation) to insure the goods for our own benefit and pass the associated cost for doing so on to you. You would not be an insured party nor a beneficiary of our policy.

## USES OF DATA AND DATA PROTECTION

For details on how your personal data could be used, please refer to our Fair Processing Notice below which can also be found at <https://www.propelfinance.co.uk/fair-processing-notice/>

This Fair Processing Notice is published on behalf of the Propel Group. As such, any references to "Propel", "we", "us" or "our" in this Fair Processing Notice are references to the relevant company in the Propel Group (as named in your agreement) which is responsible for processing your data.

The Propel Group is made up of different legal entities, including:

1. Propel Finance No.1 Limited, a company incorporated and registered in Wales with company number 10003271 and registered offices at Unit 5 Langstone Business Village, Langstone Park, Newport, NP18 2LH;
2. Propel Finance Plc, a company incorporated and registered in Wales with company number 04015132 and registered offices at Unit 5 Langstone Business Village, Langstone Park, Newport, NP18 2LH; together, the "Propel Group".

The Propel Group (referred to as 'we', 'us', 'our' in this Notice) act as a Data Controller. This means that we are responsible for, and control the processing of, your personal information in accordance with data privacy laws.

We are committed to the highest standards of data privacy and will only use your information for clearly described purposes and in accordance with your data protection rights. Our Data Protection Team can be contacted at Unit 5, Langstone Business Village, Langstone, Newport, NP18 2LH, by telephone on 01633 415222 or by email [dataprotection@propelfinance.co.uk](mailto:dataprotection@propelfinance.co.uk)

### How we collect, use and share your data

We will use personal data for our legitimate interest (some of which is obtained from you as part of your application) and some of which is obtained from publicly accessible sources, such as credit reference agencies ("CRAs") in connection with any pre-application or quotation, application or any Agreement you enter with us.

We may supply your personal information to credit reference agencies and they may give us information about you. This may include information from your credit application and about your financial situation and financial history. CRAs will supply to us both public (including the electoral register) and shared credit, financial situation and financial history and fraud prevention information.

We will use your personal data in order to assess your application for finance and, if your application is successful, to provide the requested financial services to you and for the ongoing administration.

The three main CRAs in the UK (Callcredit, Equifax and Experian) have produced a Credit Reference Agency Information Notice which explains how these agencies use and share personal data which they receive about you. The identities of the CRAs, and the ways in which they use and share personal information, are explained in more detail at: <https://experian.co.uk/crain/index.html>

We may conduct a credit search using your details at any time during the life of your Agreement with us and we may also use that data in contemplation of legal action or enforcement. We will rely on performance of a contract as the lawful basis for processing your personal data in these ways.

Commercial Credit Searches we make with credit reference agencies will leave a 'search marker' on your file. This will appear in the "number of searches" area of your Commercial Credit Report without identifying us as a lender and will not provide any detail as to the nature of the search unless you proceed with a Finance Agreement with Propel. A search marker is different from a footprint on a consumer search in that it does not impact your score with the credit reference agency in the same way as a consumer footprint. We would not undertake any consumer or personal searches without your consent to do so.

We will also provide CRAs with information relating to your performance under our account or facility. These searches (and performance details of any Finance Agreements) may be accessed by other financial companies in connection with any applications for credit that you may make to them and may affect your ability to obtain credit with them.

We may also be required to process the personal data of any person linked to your application for finance, including any joint applicants, any person with whom your finances are linked, any person with at least a 25% share in your business, any guarantor or any director or partner in order to assess your application for finance. You are responsible for sharing this Fair Processing Notice with them so they are aware how their personal data may be processed. We will rely on legitimate interest as the lawful basis for processing your personal data (and the personal data of any linked person) in these ways.

We may also share information with third parties such as our funders to whom we may assign our agreements. Details of these third parties and how they may process your data can be found on our website [www.propelfinance.co.uk/policies/third-party-data-privacy](http://www.propelfinance.co.uk/policies/third-party-data-privacy). If your application is successful and you enter into an Agreement with us, we use your data to provide finance to you, for the ongoing administration of your Agreement and to help understand customer needs and business trends to improve our products and services. We rely on legitimate interest to process your personal data (and that of any linked person) in these ways.

We may use your personal data to advise you about our other services and products which may be of interest to you (where you have consented to receive such marketing materials). We will rely on consent as the lawful ground for processing your personal data for marketing purposes and will obtain consent from you before sending any marketing communications. You may withdraw your consent for marketing activities at any time by emailing us at [marketingteam@propelfinance.co.uk](mailto:marketingteam@propelfinance.co.uk).

The personal information we have collected from you will be shared with fraud prevention agencies who will use it to prevent fraud and money-laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance, or employment. Further details of how your information will be used by us and these fraud prevention agencies, and all of your data protection rights, can be found in our Data Privacy Policy available at [www.propelfinance.co.uk/privacy-policy](http://www.propelfinance.co.uk/privacy-policy)

### Your Rights

Your personal data is protected by legal rights, which include your rights to object to our processing of your personal data; request that your personal data is erased or corrected; request access to your personal data.

For more information or to exercise your data protection rights, please contact us by email [dataprotection@propelfinance.co.uk](mailto:dataprotection@propelfinance.co.uk) or by telephone 01633 415222.

The rights include:

#### Right to access

You have a right of access under the data privacy laws to information we hold about you on our records.

#### Right to rectification

If you become aware that we are holding information about you which is in any way incorrect, please let us know immediately so that we may amend it as quickly as possible.

#### Right to erasure

You have the right to require us to delete your data, subject to certain legal requirements.

#### Right to restriction of processing

You have the right to require us to restrict the way in which we process your personal data.

You may wish to restrict processing if, for example: you contest the accuracy of the data and wish to have it corrected; you object to processing but we are required to retain the data for reasons of public interest; or if you would prefer restriction to erasure.

#### Right to data portability

You have the right to obtain from us easily and securely the personal data we hold on you for any purpose you see fit.

#### Right to object to processing

You have the right to require us to stop processing your personal data should you wish the data to be retained but no longer processed.

#### Right to withdraw consent

You have the right at any time to withdraw consent allowing us to process your personal data.

If you would prefer to receive a copy of our Data Privacy Policy by email or post, please contact us using the details shown above.

Our Data Privacy Policy contains detailed information about:

- who to contact about how your information is used and who your information may be sent to;
- why and for what purposes we are using your information;
- whether your information will be profiled or automatically processed;
- whether any information must be provided as part of a statutory or contractual requirement and what happens if that information is not provided;
- how long your information will be kept for;
- what your rights are in relation to your information;
- how to request that your information be handled differently; and
- how to complain.

## CREDIT REFERENCE AGENCY

We currently use 'Experian' to carry out our credit searches. Their details are as follows:

Customer Support Centre  
Experian Ltd  
PO Box 8000  
Nottingham NG8 07W

If you have experienced problems obtaining credit, we recommend you request a copy of your credit file.

If you would like a copy of your credit report, please visit <https://www.experian.co.uk/consumer/statutory-report.html>. You can apply for your credit report online or by completing Experian's Statutory Credit Report Application Form and returning by post to the address shown above.

## TARIFF OF CHARGES

### Please find below our Tariff of Charges.

The Propel Group is committed to keeping our customers informed and we want to ensure that you are aware of any additional costs that may be incurred in taking out an agreement or during the life of any agreement you hold with us.

We reserve the right to vary or add to our Tariff of Charges from time to time in our absolute discretion. Our current Tariff of Charges will always be contained in our Terms of Business: [www.propelfinance.co.uk/terms-of-business](http://www.propelfinance.co.uk/terms-of-business)

If you have any queries regarding these Charges, please contact our Customer Service Team on 01633 415 222.

FEE TYPE	FEE AMOUNT	FEE DESCRIPTION
Administration Fee	Standard Fee £150.00 + VAT	This fee is charged based on the cost of setting up your agreement and will be determined by the complexity of the agreement structure or deal value. The Administration Fee will be notified to you before you sign an agreement with us.
Late Payment Fee	£20.00	This fee is charged if you fail to make a scheduled payment on your agreement for each month that a payment is overdue and is chargeable per payment overdue.
Termination Fee	£50.00	This fee is charged when we are required to terminate your agreement due to non-payment.
Debt Collection Fee	Up to £500.00 + VAT	This fee is charged whenever we are required to employ an agent to collect monies on our behalf or to arrange the repossession of our goods.
Annual Service Fee (Lease Agreements only)	Standard Fee £40.00 + VAT	This fee is charged on each anniversary of your agreement start date to cover the cost of servicing your agreement. The fee may vary with complexity of agreement or deal value and the amount of the fee applicable for your agreement will be provided to you prior to signing your agreement.
Novation Fee	£150.00 +VAT	This fee is charged if we are asked to transfer the agreement to a new hirer. The fee is to be paid by the party taking over the agreement. Novation is subject to our approval and reviewed on a case by case basis.
Option to Purchase Fee (Hire Purchase Agreements only)	Standard Fee £50.00 + VAT	This fee is charged at the end of the natural term of the agreement typically with the last instalment payment under the terms of your agreement. The Option to Purchase Fee will be notified to you before you sign an agreement with us.