



# Lombard Purchase Product

# Hire Purchase

# Variable Rate

## Eligible customers and values

- Business users borrowing more than £25,000
- Partnerships of 4 or more and other corporate bodies (including LLPs)

Security may be required. Product Fees may apply. Finance is only available for business purposes. Over 18s only. Subject to status.

The following are not eligible for Hire Purchase. Private individuals borrowing any amount for private use, sole traders, partnerships of two or three and other unincorporated bodies borrowing £25,000 or less for business use. Please instead refer to our Lombard Purchase Product Conditional Sale Fact Sheet. Over 18s only. Subject to status.

## Product Features

A purchase product lets you spread the cost of buying an asset over an agreed term (typically three to five years, minimum one year). Your regular payments will consist of a fixed capital repayment together with a variable interest repayment. The variable interest is calculated daily on the outstanding capital balance.

A deposit may be required. Lombard will own the asset for the duration of the agreement and at the end, provided you've made all the payments due, you'll have the option to purchase the asset(s) by paying an Option to Purchase fee.

- Interest rates can go up as well as down depending on the Bank of England Base Rate.
- An interest advice notice will be sent to confirm the amount of interest that is due to be paid on top of your regular capital repayment.
- An administration fee may apply.
- You may be able to choose to have a final lump sum repayment (balloon) on the agreement.
- Fees and additional charges or interest may apply if you wish to make changes to your repayments once the agreement has started. You may need to sign a Letter of Variation in these cases before any such changes can take effect.
- No early repayment charge if you settle the agreement early.

TOMORROW BEGINS TODAY



## IMPORTANT

- The purpose of a balloon is to reduce the amount of your regular repayments to fit your individual budget.
- The balloon must be paid in full at the end of the agreement, so you must ensure you have the funds ready at the time they're due.
- Having a balloon on your agreement will likely cost you more in interest than if you didn't have one. Consider what's right for you and compare quotes or speak to a Relationship Manager if you want to know more.

## Next steps

### Step 1 – Quote

Contact your Relationship Manager who can discuss your requirements or visit [lombard.co.uk](http://lombard.co.uk) to explore further options.

### Step 2 – Apply

Once you're happy with your quote and have decided to apply, you'll provide us with any other information we need, and an application is sent for review.

### Step 3 – Outcome

If your application is successful, you'll need to source the invoice from the supplier and send it to us. Upon receipt, we'll send your agreement documentation to you via your preferred contact method. You'll need to sign and return them only once you're happy you understand the content and terms and wish to continue.

### Step 4 – Completion

Once signed documents have been returned, we give everything a final check, then pay the funds out, sending you a welcome pack when we're done. Your agreement is now live.

**If you'd like to view your quotes or live agreements and complete a range of In-Life actions, you can set up a My Lombard account via [Lombard.co.uk](http://Lombard.co.uk). Eligibility criteria may apply.**

## Summary Product Specifications

**Asset type:** A wide range of assets are available to be financed

**Ownership:** Lombard hold the title until the option to purchase fee has been paid and then it's passed to you

**Repayment type:** Capital and interest

**Interest type:** Variable (if you are looking for fixed rate, please refer to our Lombard Purchase Product Hire Purchase Fixed Rate Fact Sheet instead)

**Currency:** GBP, (EUR & USD by exception)

Please note - across our documentation and supporting collateral you may also see this product referred to as Lease Purchase. Product fees may apply. The contents of this document do not constitute legal, tax, financial planning or any other advice. You should seek independent advice to determine if this product is suitable for you.

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