

Initial Disclosure Document

This information relates to the activities undertaken by Peter Watson (Skipton) Limited

About our Financial services

The Financial Conduct Authority

The Financial Conduct Authority (FCA) is the independent watchdog that regulates financial services. Use this information to decide if our services are right for you.

Treating Customers Fairly

Our business is committed to treating our customers fairly and ensuring our products and services are suitable for their needs. Treating Customers Fairly (TCF) is a core part of our culture and philosophy and you can review our commitment to it by asking for a copy of our TCF policy statement.

What products do we offer?

We are a credit broker not a lender. We can introduce you to a limited number of lenders or hire companies who may be able to assist you with your requirements. We will only introduce you to these lenders or hire companies.

The finance products we can offer you and the finance providers we predominantly use are detailed in the appendix of this document.

Commission Disclosure

We may receive a commission payment from the finance provider if you decide to enter into an agreement with them. The nature of this commission is as follows: we receive a commission based on a percentage of the total amount of finance taken by the customer. You can request for us to disclose the amount of any commission received.

Other Finance Facilities

You may be able to obtain funding for your purchase from other providers and you are encouraged to seek alternative quotations and details of their products by researching on the high street, in the media and online.

What will you have to pay for this service?

You will not make any payment to us for processing a finance or hire application or for introducing you to a finance or hire provider. All charges that you will pay including, interest, documentation fees or rentals, where applicable, will be clearly shown on the finance or hire agreement.

Understanding our products and documents

You should carefully consider the amount of time you need to review the information and documentation with which you have been presented, and ensure you understand your commitments under the agreement. You should also consider if it is advisable for you to have someone you know to help you make your

decision. This is particularly important if you have any health issues, difficulty in understanding information, or there have been any recent life events that could affect your ability to fully understand the information and documentation. Please advise us if this is the case and we can then proceed with your requirements in the most appropriate way.

Affordability

You should assess the monthly payments you are required to make throughout the agreement and ensure you are able to meet these and other obligations you already have without suffering undue hardship. If you are aware of any future events that will affect your ability to meet these payments, you should ensure the finance provider is informed immediately.

Your credit rating could be adversely affected if you do not make payments when due which could make it harder or more expensive for you to access finance facilities in the future.

Who regulates us?

Peter Watson (Skipton) Limited trading as Peter Watson Garage is authorised and regulated by the Financial Conduct Authority; registration number 656952. Peter Watson (Skipton) Limited address is Otley Road Skipton North Yorkshire BD23 1EY.

You can check this information on the FCA register by visiting www.fca.org.uk/register or by contacting the FCA on 0800 111 6768.

What to do if you have a complaint

If you wish to register a complaint, please contact us:

- in writing: Peter Watson (Skipton) Limited, Otley Road Skipton North Yorkshire BD23 1EY
- by telephone: 01756 792911
- by email: robert.watson@pwskipton.co.uk

If you would like to know how we handle complaints, please ask for a copy of our complaints handling process. If you cannot resolve a complaint with us, you may be entitled to refer it to the Financial Ombudsman Service whose contact details are set out below:

- in writing: The Financial Ombudsman Service, Exchange Tower, London E14 9SR
- by telephone: 0800 0234567
- by email: complaint.info@financial-ombudsman.org.uk
- website: www.financial-ombudsman.org.uk

Confidentiality and Data Protection

Throughout the process of administering services for you we will need to collect personal information from you and pass this information to one or more third party organisations in order for them to supply any services you request. This may include passing this information to one or more potential lenders or credit brokers to enable them to make a credit decision. These lenders may use your information to conduct an affordability and credit worthiness assessment and will do so using the consent given by you. This may include sharing your information with credit reference agencies and other companies for use in credit decisions and fraud prevention. For full details of where your information will be sent, and the purpose for doing so, or to cancel your consent for the processing of your personal data,

please contact us. In cases where your initial application may be refused by the most suitable lender, your application may be referred to other lenders or credit brokers who may also share information with credit reference agencies in order to assess your application for finance. Those lenders or credit brokers will not use your personal information to provide you with promotional or marketing material, unless you opt-in to receive this material directly with them.

A copy of our privacy policy, which details how your information will be processed and your rights, is freely available upon request. To request this information please contact us:

- in writing: Peter Watson (Skipton) Limited Otley Road Skipton North Yorkshire BD23 1EY
- by telephone: 01756 792911
- by email: robert.watson@pwskipton.co.uk



Appendix - Products Offered

Personal Contract Plan (PCP)

Ownership options

- You have the option to own the vehicle at the end of the agreement if you pay the Guaranteed Minimum Future Value Payment.
- Alternatively, you can hand the vehicle back to the finance company at the end of the agreement. This may protect you from higher than expected depreciation levels.
- In some circumstances, if you have problems with the vehicle, you may be able to refer these issues to the finance company.

Restrictions/potential extra costs

A limit is set on the annual mileage of the vehicle. If you exceed this limit and want to return the vehicle at the end of the agreement, you will pay excess mileage charges. If the vehicle is damaged, you may have to pay damage costs if you hand the vehicle back with damage. Because you do not pay all the amount borrowed in equal instalments during the term of the agreement, you may pay more interest when compared to a HP agreement for the same term. You can not sell the vehicle until the finance has been paid off in full. You will need to service and insure the vehicle in line with the terms of the agreement.

Payment and equity

A Guaranteed Minimum Future Value (GMFV) is set which reflects the value of the vehicle taking into account the age and mileage at the end of the agreement. This amount is not paid off during the term of the agreement and therefore you may benefit from lower monthly payments during the term of the agreement and/or a lower deposit. However, this may result in you having lower or no equity in the vehicle at the end of the agreement if you decide to hand back the vehicle or part exchange it. As you pay the finance at a slower rate due to the GMFV not being paid during the term of the agreement, this could increase the likelihood of you owing more money than the vehicle is worth if sold before the end of the agreement.

Finance Lease

Ownership options

- You can return the vehicle to the Lessor who will sell it and may refund any surplus sale proceeds back to you as a rebate of rentals as per your individual agreement (you will be liable for any shortfall).
- You can sell the vehicle at the end of the agreement to an 'independent third party' and hand the funds to the Lessor.
- Any surplus funds may result in a rebate of rentals as per your individual agreement (you will be liable for any shortfall).
- You can continue to rent the vehicle for a longer period, usually at a nominal cost (this option may not be available if there is a balloon rental).
- Some agreements may allow you to add maintenance to the contract.
- **Please see your agreement form for full details.**

Restrictions/potential extra costs

If you want to terminate the agreement early, you may have to pay all outstanding rentals and therefore you should take care in matching the term of the agreement to your expected requirements.

In the event that the sale of the vehicle results in a lower value than the final rental you will be required to pay the Lessor any shortfall.

Restrictions on use and location may apply.

Payment and equity

Unlike other leases, you can decide the level of final payment/rental (balloon payment/rental). A higher monthly rental may allow you to receive a refund of rentals when the vehicle is sold. Opting for lower monthly rentals may result in no equity in the vehicle when sold as the final balloon rental has to be settled. It could also require any shortfall to be paid to the lessor if the value of the vehicle is less than the final rental.

It is advisable to check the conditions on your individual hire agreement.

Personal Loan (PL)

Ownership options

- As the finance is not secured on the vehicle, you own the vehicle once purchased.
- You can sell the vehicle at anytime without having to pay the finance in full at the point of sale.

Restrictions/potential extra costs

There are no restrictions on how you maintain or use the vehicle as the finance agreement is separate to the vehicle i.e. the loan is not secured on the vehicle. However, you may have less protection than with a hire purchase or lease agreement where you can refer certain problems with the vehicle to the lender.

Payment and equity

Flexible terms may allow you to finance the vehicle over a longer period than leasing and PCP. By increasing your deposit you will lower the monthly payment. As the amount borrowed is paid off in equal instalments during the term of the agreement, it is more likely you will have a higher amount of equity than a PCP agreement for the same term. However, if you decide to sell the vehicle before the end of the agreement, it is advisable to pay the agreement in full (less an interest rebate) which will reduce the amount of equity you have in the vehicle and

particularly in the early stages of the agreement could mean the vehicle is worth less than the amount of finance outstanding.

Hire Purchase (HP)

Ownership options

- You have an option to own the vehicle at the end of the agreement.
- You are the registered keeper but the finance company remains the owner until the finance is paid in full.
- In some circumstances, if you have problems with the vehicle, you may be able to refer these issues to the finance company.

Restrictions/potential extra costs

There are usually no mileage restrictions though you will need to check your agreement. Excess mileage charges will not apply. You can not sell the vehicle until the finance has been paid off in full. You will need to service and insure the vehicle in line with the terms of the agreement.

Payment and equity

Flexible terms may allow you to finance the vehicle over a longer period than leasing and PCP. By increasing your deposit you will lower the monthly payment. As the amount borrowed is paid off in equal instalments during the term of the agreement, it is more likely you will have a higher amount of equity than a PCP agreement for the same term. However, if you decide to sell the vehicle before the end of the agreement, you will have to pay the agreement in full (less an interest rebate) which will reduce the amount of equity you have in the vehicle and particularly in the early stages of the agreement could mean the vehicle is worth less than the amount of finance outstanding.

Conditional Sale (CS)

Ownership options

- You are the registered keeper but the finance company remains the owner until the finance is paid in full. Once the finance is paid in full you automatically become the owner of the vehicle.
- In some circumstances, if you have problems with the vehicle, you may be able to refer these issues to the finance company.

Restrictions/potential extra costs

There are usually no mileage restrictions though you will need to check your agreement. Excess mileage charges will not apply. You can not sell the vehicle until the finance has been paid off in full. You will need to service and insure the vehicle in line with the terms of the agreement.

Payment and equity

Flexible terms may allow you to finance the vehicle over a longer period than leasing and PCP. By increasing your deposit you will lower the monthly payment. As the amount borrowed is paid off in equal instalments during the term of the agreement, it is more likely you will have a higher amount of equity than a PCP agreement for the same term. However, if you decide to sell the vehicle before the end of the agreement, you will have to pay the agreement in full (less an interest rebate) which will reduce the amount of equity you have in the vehicle and particularly in the early stages of the agreement could mean the vehicle is worth less than the amount of finance outstanding.

Leasing (L)

Ownership options

- You simply hand the vehicle back at the end of the agreement avoiding the hassle of having to sell the vehicle.
- You are renting the vehicle and never own the vehicle.
- Some agreements may allow you to add maintenance to the contract.

Restrictions/potential extra costs

A limit is set on the Annual Mileage of the vehicle. If you exceed this, you will pay excess mileage charges at the end of the contract. If the vehicle is damaged, you may have to pay damage costs when you hand the vehicle back. If you want to terminate the agreement early, you may have to pay all outstanding rentals and therefore you should take care in matching the term of the agreement to your expected requirements.

Payment and equity

As you are only using not purchasing the vehicle and therefore not paying for the full value of the vehicle, you will not have any equity in the vehicle when the agreement ends. Payments may be lower than some other forms of finance over the same period because you are not paying for the full value of the vehicle.

Finance providers

The finance providers we predominantly work with are:

- Northridge Finance (NIIB)
- Close Motor Finance
- Evolution Funding Ltd
- MotoNovo